

N E W S R E L E A S E

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California's Unemployment Rate Increases To 8.2 Percent

SACRAMENTO – California's unemployment rate was 8.2 percent in October, and nonfarm payroll jobs declined by 26,400 during the month, according to data released today by the California Employment Development Department (EDD) from two separate surveys.

The U.S. unemployment rate also increased in October to 6.5 percent.

In September, the state's unemployment rate was 7.7 percent, and in October 2007, the unemployment rate was 5.7 percent. The unemployment rate is derived from a federal survey¹ of 5,500 California households.

Nonfarm jobs in California decreased by 26,400 over the month, for a total of 15,066,700, according to an EDD survey² that is larger and less variable statistically. The survey of 42,000 California businesses measures jobs in the economy. The year-over-year (October 2007 to October 2008) change shows a decrease of 101,300 jobs (down 0.7 percent).

EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA

The federal survey of households¹, done with a smaller sample than the state employer study, also shows a decrease in the number of employed people. It estimates the number of Californians holding jobs in October was 17,053,000, a decrease of 14,000 from September, and down 162,000 from the employment total in October of last year.

(more)

¹ U.S. Bureau of Labor Statistics' (BLS) monthly survey of about 5,500 California households measures employment and unemployment levels of wage and salary workers in both agricultural and non-agricultural industries (including domestics and other private household workers), self-employed persons, and unpaid workers who worked 15 hours or more during the survey week in family-operated enterprises. Approximately 9.5 percent of these workers are self-employed. Persons who are working at more than one job are counted as employed only once. Labor force statistics, including the unemployment rate, for California and every other state are based on statistical models specified by the BLS.

² EDD's monthly survey of approximately 42,000 California businesses collects information on the number of wage and salary employees on the payrolls of nonfarm establishments for that month. Most economists put more weight on payroll numbers because they are derived from a larger survey sample than the federal household survey. Individuals who hold more than one job are counted once for each job in this survey. Unlike the federal household survey, the EDD survey does not count self-employed persons.

The number of people unemployed in California was 1,526,000 – up by 95,000 over the month, and up by 487,000 compared with October of last year.

Of the unemployed, 614,900 were laid off, 149,200 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs, according to the federal household survey.

PAYROLL EMPLOYMENT DETAIL (SEASONALLY ADJUSTED³)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 15,066,700 in October, a net loss of 26,400 jobs since the September survey. This followed a loss of 10,900 jobs (as revised) in September.

Four categories (**natural resources and mining; educational and health services; leisure and hospitality; and government**) added jobs over the month, gaining 4,600 jobs. Educational and health services showed the largest gain, up by 2,400 jobs. Seven categories (**construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; and other services**) reported job declines this month, down 31,000 jobs. Trade, transportation and utilities posted the largest decline over the month, down by 11,500 jobs.

In a year-over-year comparison (October 2007 to October 2008), nonfarm payroll employment in California decreased by 101,300 jobs (down 0.7 percent).

Four industry divisions (**natural resources and mining; educational and health services; leisure and hospitality; and government**) posted job gains over the year, adding 77,300 jobs. Educational and health services showed the strongest gain on a numerical basis, adding 52,100 jobs (a 3.1 percent increase). On a percentage of growth basis, natural resources and mining showed the strongest gain, up 5.5 percent (adding 1,400 jobs).

Seven categories (**construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; and other services**) posted job declines over the year, down 178,600 jobs. Construction employment showed the largest decline on both a numerical and percentage basis, down by 65,900 jobs (a decline of 7.6 percent).

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 527,918 people receiving regular unemployment insurance benefits during the October survey week. This compares with 500,962 last month and 335,930 last year. At the same time, new claims for unemployment insurance were 67,491 in October 2008, compared with 53,418 in September and 48,157 in October of last year.

NOTE TO EDITORS: *EDD encourages those who are filing for unemployment insurance benefits to do so on-line through our Web site at www.edd.ca.gov. On-line claim filing is the fastest, most convenient way to apply for unemployment benefits, and is available 24 hours a day, 7 days a week.*

Seasonally adjusted payroll detail follows:

PAYROLL EMPLOYMENT, SEASONALLY ADJUSTED DATA³
(Amounts in thousands)

| Industrial Classification | October 2008 (prelim.) | September 2008 (revised) | October 2007 | Change Over 12 months (Percent) |
|--|---------------------------|-----------------------------|--------------|---------------------------------------|
| Nonagricultural Wage and Salary Workers | 15,066.7 | 15,093.1 | 15,168.0 | -0.7 |
| Natural resources and mining | 27.0 | 26.9 | 25.6 | 5.5 |
| Construction | 802.6 | 805.0 | 868.5 | -7.6 |
| Manufacturing | 1,425.8 | 1,431.5 | 1,457.3 | -2.2 |
| Trade, transportation and utilities | 2,872.3 | 2,883.8 | 2,911.0 | -1.3 |
| Information | 472.1 | 473.8 | 473.4 | -0.3 |
| Financial activities | 863.1 | 865.2 | 894.9 | -3.6 |
| Professional and business services | 2,265.5 | 2,272.0 | 2,271.3 | -0.3 |
| Educational and health services | 1,728.5 | 1,726.1 | 1,676.4 | 3.1 |
| Leisure and hospitality | 1,564.1 | 1,563.2 | 1,556.1 | 0.5 |
| Other services | 514.1 | 515.2 | 517.7 | -0.7 |
| Government* | 2,531.6 | 2,530.4 | 2,515.8 | 0.6 |
| Agriculture | 398.9 | 391.3 | 394.2 | 1.2 |

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA³

| | October 2008 (prelim.) | September 2008 (revised) | August 2008 | October 2007 |
|---|---------------------------|-----------------------------|-------------|--------------|
| Civilian labor force ^a | 18,579,000 | 18,498,000 | 18,415,000 | 18,254,000 |
| Total civilian employment | 17,053,000 | 17,067,000 | 16,994,000 | 17,215,000 |
| Unemployment | 1,526,000 | 1,431,000 | 1,421,000 | 1,039,000 |
| Seasonally adjusted rate % | 8.2 | 7.7 | 7.7 | 5.7 |
| US seasonally adjusted rate % . | 6.5 | 6.1 | 6.1 | 4.8 |

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

| | October 2008 (prelim.) | September 2008 (revised) | August 2008 | October 2007 |
|---|---------------------------|-----------------------------|-------------|--------------|
| Civilian labor force ^a | 18,605,000 | 18,485,000 | 18,531,000 | 18,278,000 |
| Total civilian employment | 17,119,000 | 17,096,000 | 17,110,000 | 17,291,000 |
| Unemployment | 1,486,000 | 1,390,000 | 1,420,000 | 987,000 |
| Unadjusted rate % | 8.0 | 7.5 | 7.7 | 5.4 |

^a Labor force by place of residence including workers involved in trade disputes.

³ Seasonal adjustment is a statistical method that removes typical employment patterns that occur at various times throughout the year (e.g., additional retail hiring during the holiday season).

MONTHLY LABOR FORCE DATA FOR COUNTIES
OCTOBER 2008 (Preliminary); 2007 BENCHMARK
NOT SEASONALLY ADJUSTED

| COUNTY | LABOR FORCE | EMPLOYMENT | UNEMPLOYMENT | RATE |
|--------------------|-------------------|-------------------|------------------|-------------|
| STATE TOTAL | 18,605,200 | 17,118,900 | 1,486,300 | 8.0% |
| ALAMEDA | 771,200 | 716,100 | 55,100 | 7.1% |
| ALPINE | 470 | 420 | 50 | 11.0% |
| AMADOR | 18,820 | 17,280 | 1,540 | 8.2% |
| BUTTE | 107,000 | 97,800 | 9,300 | 8.7% |
| CALAVERAS | 21,910 | 19,840 | 2,080 | 9.5% |
| COLUSA | 11,150 | 9,830 | 1,320 | 11.8% |
| CONTRA COSTA | 536,600 | 498,900 | 37,700 | 7.0% |
| DEL NORTE | 11,980 | 10,910 | 1,070 | 8.9% |
| EL DORADO | 96,300 | 89,300 | 7,000 | 7.3% |
| FRESNO | 443,000 | 392,400 | 50,600 | 11.4% |
| GLENN | 13,240 | 11,990 | 1,250 | 9.4% |
| HUMBOLDT | 61,800 | 57,200 | 4,600 | 7.5% |
| IMPERIAL | 78,400 | 56,800 | 21,700 | 27.6% |
| INYO | 9,290 | 8,610 | 680 | 7.3% |
| KERN | 374,200 | 337,300 | 36,900 | 9.9% |
| KINGS | 61,400 | 54,700 | 6,700 | 10.9% |
| LAKE | 26,480 | 23,530 | 2,950 | 11.2% |
| LASSEN | 14,210 | 13,020 | 1,200 | 8.4% |
| LOS ANGELES | 4,981,000 | 4,570,500 | 410,500 | 8.2% |
| MADERA | 65,600 | 59,200 | 6,400 | 9.7% |
| MARIN | 140,200 | 133,300 | 6,900 | 4.9% |
| MARIPOSA | 9,390 | 8,650 | 740 | 7.9% |
| MENDOCINO | 45,020 | 41,990 | 3,030 | 6.7% |
| MERCED | 108,100 | 95,500 | 12,600 | 11.7% |
| MODOC | 4,120 | 3,740 | 380 | 9.1% |
| MONO | 7,490 | 6,890 | 600 | 8.0% |
| MONTEREY | 216,800 | 201,300 | 15,500 | 7.1% |
| NAPA | 77,800 | 73,600 | 4,200 | 5.4% |
| NEVADA | 51,620 | 47,920 | 3,700 | 7.2% |
| ORANGE | 1,645,000 | 1,545,900 | 99,100 | 6.0% |
| PLACER | 178,700 | 165,500 | 13,200 | 7.4% |
| PLUMAS | 11,040 | 10,060 | 980 | 8.8% |
| RIVERSIDE | 936,700 | 843,300 | 93,400 | 10.0% |
| SACRAMENTO | 708,800 | 651,500 | 57,300 | 8.1% |
| SAN BENITO | 26,000 | 23,600 | 2,400 | 9.1% |
| SAN BERNARDINO | 906,600 | 824,900 | 81,700 | 9.0% |
| SAN DIEGO | 1,580,100 | 1,472,400 | 107,700 | 6.8% |
| SAN FRANCISCO | 448,300 | 421,500 | 26,800 | 6.0% |
| SAN JOAQUIN | 305,600 | 271,700 | 33,900 | 11.1% |
| SAN LUIS OBISPO | 140,400 | 131,700 | 8,800 | 6.2% |
| SAN MATEO | 392,200 | 371,100 | 21,200 | 5.4% |
| SANTA BARBARA | 221,800 | 208,600 | 13,200 | 5.9% |
| SANTA CLARA | 886,900 | 825,900 | 61,000 | 6.9% |
| SANTA CRUZ | 152,500 | 142,500 | 10,000 | 6.5% |
| SHASTA | 88,500 | 79,600 | 8,900 | 10.0% |
| SIERRA | 1,740 | 1,590 | 150 | 8.6% |
| SISKIYOU | 19,750 | 17,890 | 1,860 | 9.4% |
| SOLANO | 216,600 | 199,900 | 16,700 | 7.7% |
| SONOMA | 271,400 | 254,500 | 16,900 | 6.2% |
| STANISLAUS | 239,900 | 211,600 | 28,300 | 11.8% |
| SUTTER | 42,300 | 37,200 | 5,200 | 12.2% |
| TEHAMA | 26,540 | 24,140 | 2,400 | 9.0% |
| TRINITY | 5,300 | 4,720 | 580 | 10.9% |
| TULARE | 198,900 | 175,500 | 23,400 | 11.8% |
| TUOLUMNE | 27,000 | 24,770 | 2,230 | 8.2% |
| VENTURA | 435,200 | 403,700 | 31,500 | 7.2% |
| YOLO | 98,600 | 90,800 | 7,800 | 7.9% |
| YUBA | 28,100 | 24,500 | 3,600 | 12.9% |